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CURRENT INTELLIGENCE MEMORANDUM

SUBJECT: NATO: The Key Issues

Introduction

1. The major problems in NATO derive today--as they have for some time--from three unresolved and closely interrelated questions: (1) the future locus of control over NATO's nuclear capability; (2) the uses to which that capability should be put; and (3) the relative weights within the Alliance of US and European power.
2. From the inception of NATO to the present time, the US has enjoyed a virtual monopoly of control over the nuclear forces at NATO's disposal and the decisive voice in determining the manner in which those forces should be employed. In both respects, however, the US position is now under challenge. The growth of European power has brought into question the political, psychological, and perhaps economic practicability of the continuation of a US nuclear monopoly; the prospective emergence of a French nuclear force has brought into question its technical feasibility as well.
3. The US has been quick--perhaps even quicker than its European allies--to recognize the consequences for the Alliance of these developments. Much of the transatlantic dialogue of the past three years has therefore been concerned with finding ways of sharing the responsibilities and burdens of the nuclear deterrent, of mapping a strategy for its use which would meet the security needs of Americans and Europeans alike, and of guaranteeing that the emergence of "Europe" as a world power would lead to Atlantic partnership rather than rivalry. Under these three main headings this memorandum will discuss some of the major developments of the past few weeks and months.

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Sharing Nuclear Control

4. Despite lengthy consideration of the problem, the specific measures which have so far been taken to meet the nuclear aspirations of the Europeans derive in considerable part from the opportunities provided by the Nassau accords of December, 1962. Pursuant largely to the understandings which were then reached by Kennedy and Macmillan, the NATO ministers approved at their meeting in Ottawa last May a series of steps designed to give the Europeans a sense of participation in the control of NATO's then existing nuclear forces. These steps included the strengthening of NATO nuclear forces by the assignment to SACEUR of Britain's V-bomber force and three US Polaris submarines, in addition to certain nuclear strike forces already available to him; the establishment by SACEUR of a deputy responsible to him for nuclear affairs; the arrangement for NATO-country officers to participate more fully in the nuclear activities of the Allied Command Europe and in the coordination of targeting at the Strategic Air Command at Omaha; and provision to the NATO countries of fuller information regarding nuclear defense.

5. None of these arrangements involved any real dispersion of nuclear control and none was intended. The V-bomber force and the three Polaris submarines remain respectively under British and US operational control. In accordance with the Atomic Energy Act, the nuclear warheads of nuclear-capable forces in Europe assigned to SACEUR remain in US custody. Moreover, the targeting for these forces will continue to be coordinated though such coordination will be in accordance with SACEUR's list of targets. Therefore, the main effort to find a more satisfying and permanent solution to the nuclear control problem has focused in recent months on the Nassau proposal for a multilateral nuclear force (MLF). Consideration of the MLF remains, however, in the exploratory stage, and it is evident that the political, economic, and technical obstacles to the creation of a mixed-manned naval nuclear force are still formidable ones. (For fuller account of recent MLF developments, see attached annex.)

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The Uses of Nuclear Power--The NATO Forces  
Planning Exercise

6. The unresolved question of control of nuclear forces cannot be disentangled from the equally unresolved question of the manner in which they should be used. Indeed, this interrelationship is at the root of the difficulties over strategic concepts which are threatening now to come to a head in the NATO Forces planning exercise.

7. The NFP exercise, which was approved by the NATO ministers at their December, 1962, meeting, involves a review in depth of the inter-related questions of strategy, force requirements, and the resources available to meet them. It was intended--at least in US eyes--as a corrective to past weaknesses in NATO's planning procedures and to the poor results achieved in terms of national defense efforts. Under past procedures the Major NATO Commanders (MNCs) have had the responsibility for developing the Alliance force requirements within which the national contributions are incorporated and evaluated. However, these force levels and national allocations have never been accepted as governmental commitments with the result that the member countries have fallen into the practice of merely indicating each year what they consider their optimum targets for the following year. Thus, while the force goals for the European Central Sector call for a minimum of 30 divisions, no more than 24 have been provided, and these poorly supported and undermanned.

8. Despite the hopes that were held for it, the NFP has had difficulties from the beginning and it is now in serious trouble. The plans initially developed by Secretary General Stikker for carrying out the study encountered strong objections from the French on two scores: first, as to who should be responsible for the evaluating exercise and, second, regarding the idea that all factors involved--strategy, force levels, and resources--be evaluated simultaneously. The first French objection was finally met in early October by placing the exercise under the NATO Council; the second was thought to have been met by authorizing the Standing Group to issue planning directives to the MNCs to produce alternative sets of force goals on the basis of an evaluation of NATO

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strategy which was started in 1961. This arrangement was intended to satisfy French insistence on agreeing on the strategic concept as the first order of business and in fact for several months the French participated effectively in the exercise. However, in mid-November the French suddenly declared their basic disagreement with the strategic reappraisal as it had evolved to that point and, subsequent to this, served notice that they would veto the issuance of planning directives to the MNCs based on this document.

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12. The French comments on MC 100/1 in general involve a rejection of the concept of a flexible response in favor of something close to the automatic or "tripwire" approach. They disagree with the attempt to categorize possible Soviet aggressions as either major or limited in nature, terms which they feel leave too much room for ambiguity and indecision. Their spokesmen have suggested instead the concept of "unambiguous aggression" and "local aggression," placing many limited aggressions--except border incidents or probes--in the category of "unambiguous aggressions." Behind these apparent semantics is an assessment that Europe's lack of conventional forces and depth is such that it dare not risk either "flexibility" or equivocation on the part of individual NATO members at a time of peril. The aggressor must therefore know with certainty that there is a breaking point--to be defined according to military and geographic criteria--beyond which he will face the highest risks.

13. Put in other terms, the French are saying --as they and many other Europeans have argued ever since Secretary McNamara started talking about "controlled responses"--that the best way to deter Soviet nibblings or probes in Europe is to make it clear to Moscow that NATO can only respond with nuclear weapons. If we build up conventional forces this will decrease the risks, from the Soviet point of view, of small military actions and cause the USSR to feel that limited actions could be taken without immediate risk of nuclear war. Thus, in this

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view, a build-up of conventional forces increases, rather than decreases, the danger of miscalculations, incidents, and general war.

14. While the other members of the Alliance accept the generalizations contained in MC 100/1, there are significant differences, however, in emphasis. The Germans support the idea of increasing conventional forces, but are particularly concerned that the forward position be held with whatever is required to do the job. They fear that any pause in the use of nuclear weapons will result in the surrender of West German territory.

15. The British are torn by several conflicting interests. Their strategic thinkers divide on the issue of which posture is best designed to deter Soviet probing. While the government and the Labor party may for various reasons, including domestic politics, prefer to have NATO possess a substantial conventional capability; they are unwilling to face up to the obvious implications--conscription in Britain and a reallocation of defense resources. Officially, the UK has long held that tactical nuclear weapons would have to be brought into play at a very early date and they doubt that escalation could be avoided. Only recently have they admitted the necessity to improve NATO's conventional strength.

16. Thus, while there is a wide range of strategic concepts within the alliance and a variety of differences between the US position and those of other countries, only the French so far seem prepared to make an issue of their differences. At the present moment at least, the differences between the US and the French appear unbridgeable, and the main question is how much peril it poses for the future of NATO. From a practical point of view it must be recognized that NATO has lived with basic strategic differences for some time, not only within the Alliance, but within the member countries. These differences have detracted from the effectiveness of NATO but they have not prevented its work from going ahead. In the present instance, if the French choose to stand on their present position they could very likely make a fiasco of the NFP exercise; they could on the other hand choose to stand aside--as they have in other instances--and permit those who are willing to proceed. In either case it would not prevent NATO

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from falling back on its previous procedures, however faulty they are.

17. The present case is more worrisome than the others, however, because it remains unclear how far De Gaulle intends to go. The US NATO delegation in Paris has been apprehensive lest it was his intention to provoke, sooner or later, a debate which might have more far reaching consequences on the Alliance's cohesion. Although it is doubtful that the French would "win" such a confrontation, they might have some success in achieving further acceptance of the familiar tenets of Gaullist philosophy: the uncertainty of the American presence in Europe; the uncertainty of the availability of the US deterrent to the defense of Europe; the imperative need for Europe to rely increasingly on its own means for its security; and the advantages of accepting French leadership.

#### The US and Europe: Partners or Rivals?

18. Whatever the eventual outcome, the dispute over the NFP exercise appears important primarily for its implications for the state of US-European relations--not only military, but in the broad political, economic, and psychological spectrum as well. It is but another of the problems which, in all these fields, encumber the achievement of a new accommodation of European and American power.

19. The kind of accommodation towards which the Eisenhower administration was moving and which became the stated objectives of President Kennedy was the concept of the Atlantic partnership. It was based on the expectation that the rapid momentum toward an economically integrated Europe would continue and would bring in time a politically integrated Europe as well. It was assumed that this new constellation of power, with Britain as a member, would remain indissolubly linked with the US--militarily through NATO, economically through the OECD and the freer trade envisaged under the Trade Expansion Act (TEA), and ultimately, in some kind of an Atlantic political organization. Together these two colossi would share more equitably the burdens of Free World

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defense and the development of the under-developed countries which in the post-War period have fallen predominantly on this side of the Atlantic.

20. With the perspective of the past eleven months it is now evident how serious a blow to this concept De Gaulle struck last 14 January when he made clear his intention to veto Britain's bid for Common Market membership. By this one act he rejected Britain as a link between the US and Europe and identified it instead as the American Trojan horse; he strongly invoked the concept of a "European Europe" (as opposed to an "American Europe") and its claim to full equality in the Alliance; and indirectly at least, he placed his finger on perhaps the fatal flaw in the partnership concept--the absence of a formula which would convincingly reconcile the US insistence on the indivisibility of the Western deterrent force with its offer to Europe of equality in all other respects. In the ensuing train of events, the Conservative government in Britain abandoned any hope of early entry into Europe and retired to mend its domestic political fences; the spirit went out of the Common Market; in an atmosphere of hostility and distrust the prospect of European political unity was relegated still further into the future; and transatlantic economic cooperation degenerated into the chicken war.

21. Depressing to the advocates of Atlantic partnership as this post-veto chain of events has been, it may nevertheless be in order to reserve judgment on the viability of the Atlantic partnership for perhaps some months. No definitive commitments to the MLF are called for in the immediate future. Moreover, with luck, the dispute over strategic concepts which has been further stirred up by the NFP exercise will remain in the background, rather than the forefront of the NATO ministers meeting which opens 16 December.

22. Also, as was the case last January, the immediate course of Atlantic relations may hinge more on developments within the Common Market rather than in NATO. In its marathon series of meetings this month, the Common Market is wrestling with the complex and interrelated questions of agricultural integration and the EEC's participation in the trade

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negotiations called for by the Trade Expansion Act (TEA). Because of their potential impact on the US balance of payments, both questions have direct implications for the feasibility of maintaining the American presence in Europe, military and otherwise. Moreover, the agricultural question is of sufficient importance to the Common Market that the future of Europe as a union and as a partner may well hinge on its settlement.

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## ANNEX

## RECENT DEVELOPMENTS IN THE MLF TALKS

1. After protracted bilateral talks, the representatives of Britain, West Germany, Italy, Belgium, Greece, and Turkey have for the past several months been engaged in preparatory working-level talks on the MLF, and these countries have recently been joined by the Netherlands. These talks, which involve no commitments are directed towards agreement on what should go into a charter to establish a multilaterally-owned, mixed-manned, naval force equipped with Polaris missiles. Among the questions being considered are the choice between a surface or sub-surface vehicle, management, political control, finance, and the relationship of the MLF to NATO. A demonstration of the feasibility of mixed-manning, using US ships, has recently been approved in principle and is awaiting approval by the individual governments.

2. At least several more months will be required to complete these exploratory talks, and even assuming their successful completion, grave doubts would remain that the MLF will see the light of day. Of the smaller participating countries, Greece and Turkey would clearly require financing by others; parliamentary approval of the expenditures necessary for Belgian participation is very much in doubt. The Dutch prefer to concentrate their defense budget on conventional forces, they are content with the US nuclear monopoly, and they have a deep aversion to anything associating the Germans with nuclear weapons. In Italy, the MLF is a part of the struggle over the center-left experiment. The accord leading to the establishment of the Moro government reserves "final judgment" on the MLF until a "complete and organic plan" is formulated; the rightists who will be taking the lead in the next few months in pressing for a more definitive Italian commitment will be doing so at least in part in hopes of bringing down the regime.

3. The two remaining participants in the present MLF exercise are virtually at opposite poles in their attitudes. West Germany has been the earliest, most enthusiastic, and most consistent supporter of

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the MLF, and last April the Bonn cabinet agreed to back a force in which--initially at least--the nuclear weapons would be deployed on surface vessels and controlled in their use by unanimous vote of the participants. Britain, on the other hand, although a co-author of the Nassau accords, has just as consistently dragged heels on the MLF and cast doubts on the military need for it and on its technical and political feasibility. London's participation in the working group is on an expressly "no commitment" basis and was motivated primarily by fears that an MLF charter might emerge in which Britain had taken no part.

4. France rejected the MLF at the beginning and it has steadfastly refused since then to show any interest. Paris believes that a mixed-manned fleet of surface ships would be ineffective from a military standpoint; from a political point of view, it has argued that control of a mixed-manned force would be "uncertain" and that the MLF would simply be a cover for continued American domination of Europe's defense effort. Although the French have hinted at various times that their nuclear force may be used in the defense of other European nations, it has rejected any scheme which would remove the ultimate decision on use of the force from the French president.

5. Lack of European enthusiasm for the MLF has tended to stimulate the ferment of ideas regarding possible alternatives, most of them focusing on the idea of an independent, purely European deterrent. An approach to this has been the support which the Italians and the West Germans have lent to the inclusion of a "European clause" in any MLF charter. Although not yet delineated, this proposal would involve some US commitment to eventually relinquish its veto over the firing of the MLF's missiles and/or to transfer its MLF contribution to a European political organization, once that is in being. Others would proceed more directly to a European deterrent, but none has proposed a feasible means of reconciling De Gaulle's opposition to supranationalism with the need for a controlling political body having sufficient unity and authority to act with the speed and decisiveness required to lend credibility to the deterrent.

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6. In recent weeks--due no doubt to the gloomy electoral prospects of Britain's Conservatives--increased attention has been aroused by clarifications which the Labor Party has been introducing into its standard position on the nuclear problem. Although Labor Party leaders have strongly opposed the MLF, they have recently let it be known that a Labor government would at least regard the MLF as one possibility if no other method of sharing control of all nuclear weapons within NATO can be devised. The preferred solution, according to a recent Labor policy statement, would be a four-power NATO directorate--including West Germany--which would formulate the Alliance's nuclear strategy. Moreover, rather than letting Britain's "spurious" independent deterrent run down, Labor now suggests it would attempt to "pool it" in return for a greater share in the command and control of NATO's (i.e., the US') nuclear arsenal. This position has recently been echoed by West Germany's Socialist spokesman for defense who in a public meeting has called for full European participation in planning the use of the Alliance's entire deterrent and the creation of a supreme NATO command or planning staff for this purpose.

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